FINAL

Statement

Of

TOYOTA MOTOR NORTH AMERICA

Before the:

SENATE COMMITTEE ON

COMMERCE, SCIENCE AND TRANSPORTATION

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Presented by:

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Mr. Chairman and distinguished members of the committee;

Good morning. I am Chris Tinto, Director of Technical and Regulatory Affairs, for Toyota Motor North America. Thank you for this opportunity to testify on the important safety matters that the committee is considering and to present Toyota's record in improving vehicle safety.

Toyota is the third largest automotive manufacturer in the world, and the fourth largest in the United States.

In 2002, Toyota produced nearly one million vehicles and a wide variety of components at its six U.S. facilities. More than half of our sales in the U.S. are of vehicles manufactured in this country.

Toyota directly employs more than 30,000 American workers in manufacturing, marketing, and distribution, and our dealers employ another 82,000. Toyota's cumulative investment in the United States totals more than 12 billion dollars. That number will only grow as our new engine plant in Alabama and our new truck plant in Texas come online.

With respect to safety, Toyota's internal corporate philosophy is not only to meet, but to exceed, the motor vehicle safety standards in every global market in which we sell vehicles. Consistent with Toyota's philosophy of continuous improvement – or kaizen – we do not wait for Federal requirements before

incorporating safety technology. Vehicle design is an evolutionary process and, as automotive technology has advanced, Toyota has integrated new safety features in all of our vehicles. We are proud of the accomplishments our people have made in development, application and improvement of these world-class safety technologies.

We introduce significant safety improvements with every major model change. Recognizing that the focus of today's hearing is SUVs, let me outline some of those safety improvements that are specific to the eight models of sport utility vehicles Toyota markets in the United States. These include, but are not limited to:

- Antilock brake system, available on all of our SUVs;
- Brake Assist systems that help drivers to apply full braking in an emergency situation, available in most of our SUVs;
- Crumple zones which help to absorb energy and dissipate loads in collisions;
- High strength body structures to help lessen intrusion into the occupant compartment in a crash;
- Front cross beams for improved partner protection in frontal and side crashes;
- Vehicle Stability Control, which is an active safety system to help reduce skids and maintain driver control. Toyota was first to the market with this technology in our 1997 Lexus passenger car models, and today leads the industry in its adoption across a wide variety of vehicle types. In fact, we plan

to have Vehicle Stability Control technology available on 100 percent of our SUV fleet by next year;

- Side airbags to protect an occupant's torso, now available on most of our SUV models;
- Toyota was one of the first in the world to offer a side curtain shield airbag in 1998 in a passenger car for improved head protection, which is now available in the majority of our SUV fleet;
- Rollover sensors, to provide an additional trigger for the side curtain shield airbags. Toyota was one of the first in the world to adopt a production rollover sensing system that is now featured in the 2003 Toyota Land Cruiser and the Lexus LX 470.

In addition, Toyota is ahead of schedule in meeting all voluntary industry guidelines on side airbags to help reduce injury potential to children, achieving full implementation across our entire SUV and passenger car fleet by the 2003 Model Year.

In 1996, with the introduction of the RAV4, Toyota invented a new category of compact sport utility vehicles based on passenger car engineering. In 1998, Lexus created the template for mid-sized luxury utility vehicles with the immensely popular RX 300. Based on a passenger car/SUV "crossover

platform," these vehicles typically perform more like passenger cars than the traditional, truck-based SUVs.

To use just one model as an example of our philosophy of constant improvement, consider these safety advancements in the design of the Lexus RX 330, successor to our most popular luxury SUV, the RX 300. In this new model, we added these available features:

- An air suspension system that automatically lowers the entire vehicle at highway speed to improve vehicle response and ride comfort;

- A high-strength body structure in anticipation of NHTSA's proposed upgraded standards for 50 mph rear impact;

- Front and rear curtain shield side airbags;

- Front-seat mounted side airbags, which cover a larger area, including the torso, abdomen and pelvis;

- Driver's side knee airbag;

- An adaptive laser cruise control system that controls following distances;

- An Adaptive Front lighting System (AFS) that helps illuminate a turn or curve as the driver steers into it;
- A tire pressure monitor that alerts the driver in the event of tire under-inflation, in advance of Federal requirements; and,
- A rear back-up camera that enhances visibility when reversing.

The RX 330 also contains the safety features found in the present generation RX, including Vehicle Stability Control, and a Brake Assist feature to automatically provide additional assistance to a driver attempting emergency braking.

These, Mr. Chairman, are just a few examples of the safety improvements we have been able to add to one of our sport utility models in a single model change.

We want to note that sport utility vehicles, as a broad class, are designed to do things that other vehicles simply cannot do. They offer utility, ground clearance, and all-wheel drive capability demanded by our customers – and which we are sure was appreciated by those who used them to move about during our recent heavy snowstorm in the DC area. However, we also recognize that, due to their inherent design, and notably their higher ground clearance, these vehicles have a higher incidence of rollover in accidents, when compared to passenger cars as a broad class. Nevertheless, it is also important to note that the vehicle with the highest rollover rate in published data is in actuality not an SUV, but a sports car.

It is also important to note that, while published accident statistics suggest that fatality rates are declining for all vehicles – cars, SUVs, minivans and pickups – the biggest improvements have occurred in the SUV category. We believe the improvements that Toyota and our industry have introduced can be credited with some of that progress.

Published data show that rollovers are rare events, accounting for about three percent of all crashes. But Toyota's philosophy of continuous improvement requires that we continue our efforts to reduce them even further. In this regard, we're also working with government agencies around the world in cooperative research efforts to improve all aspects of vehicle performance.

For example, we have worked very closely with the National Highway Traffic Safety Administration as it meets its new rulemaking responsibilities under the TREAD Act. We have met numerous times with NHTSA engineers to help them develop the best procedures for assessing rollover, and were happy to share with the agency our experience and knowledge in this area. As a result, NHTSA's new dynamic rollover test in its New Car Assessment Program includes a variant of Toyota's internal test commonly known as the "fishhook" test.

We also recognize that the issue of crash compatibility is one of growing concern. Toyota has been conducting research and development, including internal testing, in this area for many years. We have used the results of this research and development to help us design better structures; to improve our front and side airbags and side curtains; to consider frame design; and to develop front beams and reinforcements that help distribute crash loads.

Toyota is an active member of the industry's international compatibility working group, which held its first meeting of industry experts from around the world earlier this month. We contributed a proposal for additional compatibility tests, and committed to seeing changes made to improve both occupant protection and geometric compatibility in future models. We join the industry in calling for voluntary adoption of improved head protection systems such as the curtain shield airbags currently installed on many of the vehicles in our lineup.

As part of our commitment to public education, Toyota also is a significant contributor to the industry's Air Bag and Seatbelt Safety Campaign. The Campaign uses a three-pronged approach of education, enactment and enforcement to heighten public awareness about the benefits and risks of airbags and the importance of keeping children buckled in the back seat. The Campaign sponsors Operation ABC Mobilization twice a year in partnership with NHTSA and over 12,000 law enforcement agencies nationwide. The Mobilization

highlights enforcement of seat belt laws currently on the books and advocates enactment of primary seat belt legislation in states without those laws.

Toyota also is an active member of a side impact voluntary standards working group, where new standards were drafted to afford protection for children from airbag-induced injuries. Toyota led the industry in adoption of these new standards, and this year has 100 percent compliance with the strict new guidelines.

Finally, Toyota believes that automotive safety is a responsibility shared by industry, government, and consumers. Toyota and other automakers are moving to improve the overall safety of SUVs, and we are implementing the latest innovations. But we also seek government's help on the Federal, State, and Local levels to improve the safety of drivers and passengers in vehicles of all types.

It is of the utmost importance that primary seat belt usage laws go on the books in all 50 states. Data shows that the usage rates in states with primary belt laws average 80 percent vs. 69 percent for states without these laws. Just improving belt usage to the 90 percent rate currently found in California, for example, could save thousands of American lives per year – far exceeding any technological advances that we could now envision. This change could be implemented quickly, with an immediate result in lives saved. This would be especially useful

in rollovers, in which most fatalities and serious injuries occur to those who are unbelted at the time of the rollover.

In this regard, Toyota has been doing its part to improve belt use rates since 1997, when we introduced our belt reminder technology that warns both the driver and the front passenger when they are not buckled. As of 2003, almost 100 percent of Toyota's fleet has this technology. But without enforcement, we cannot hope to realize the full safety benefits that seat belts can provide.

In summary, Toyota is confident in the design of our SUVs. We continually strive to maintain the flexibility and utility that our customers demand, but we will not sacrifice safety to reach that goal. We never forget that our own families ride in these vehicles every day.

Thank you, Mr. Chairman.

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